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## Office of the Attorney General State of Connecticut

## TESTIMONY OF ATTORNEY GENERAL GEORGE JEPSEN BEFORE THE BANKS COMMITTEE FEBRUARY 19, 2015

I appreciate the opportunity to support Senate Bill 887, An Act Concerning Requirements for the Filing of a Mechanic's Lien. This proposal provides that a mechanic's lien is invalid unless the person performing the services or furnishing the materials holds the appropriate registration or license to perform the services. The intent of the bill is to preclude a supplier or contractor from securing a lien for amounts allegedly owed if that person performed the work or supplied the materials without an appropriate license or registration from the state. Unfortunately, there are many people in Connecticut performing home improvements and other work without the appropriate license or registration. My Office routinely assists consumers who fall victim to such unscrupulous practices. We also bring criminal prosecutions against such actors when appropriate. I believe this bill will deter individuals and businesses from doing work or supplying materials without an appropriate license. It also will relieve innocent consumers from the additional burdens they sometimes face when an unlicensed or unregistered business places a mechanic's lien on their real property.

While I applaud the Committee for raising the bill, I also suggest a change in language to better capture the intent of the proposal. As currently drafted, the bill would render a mechanic's lien invalid unless the person holds the appropriate registration or license to perform the services. This could be interpreted to mean that a contractor may file a valid mechanic's lien even if he or she was not registered at the time he or she solicited, contracted, or performed the work – so long as he or she is registered at the time the lien is filed. It also seems to exclude suppliers. The better approach would be to render invalid a mechanic's lien if the person filing the lien was unlicensed or unregistered when soliciting the job, performing the services, or supplying the materials, regardless of whether he or she is registered at the time the lien is filed. I believe this change would better achieve the laudable goals the proposal is intended to achieve.

Thank you once again for the opportunity to support this proposal. Please feel free to contact me if you have questions about my testimony.